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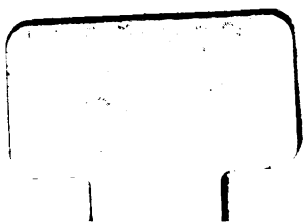
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PERÚ

FOUR YEARS OF CONSTITUTIONAL
GOVERNMENT

NEW YORK

1920





Señor Doctor **DON JOSÉ PARDO**
Constitutional President of Perú
1904-1908 and 1915-1919

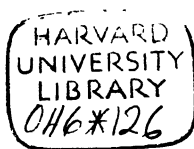
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BIOGRAPHICAL NOTES

Señor Doctor don José Pardo was born in Lima, February 24, 1864, as a son of señor don Manuel Pardo and señora Mariana Barreda de Pardo. He comes of one of the most distinguished families of Perú. His father was the first civil president who governed under the constitutional régime, from 1872 until 1876. As the founder of the civil party—the most important political organization of the country—he brought to an end the domination of the military governments that had followed one another in power from the establishment of independence. Don Manuel Pardo was one of the most eminent figures in the history of the republic.

Don José Pardo was educated at the Instituto Lima and at the Universidad Mayor de San Marcos, where he took the courses in literature, jurisprudence and political sciences, graduating with the title of doctor and lawyer in 1887.

Appointed by the government as secretary of the legation of Perú in Spain, and afterward as chargé d'affaires, he formulated the defense of Perú in the arbitration of boundaries with Ecuador in 1889, the decision of which was submitted to his majesty the king of Spain.

The process of arbitration being interrupted, he returned to Perú and assumed charge of the administration of a valuable agricultural property—owned by his family in the north of the republic—until 1898, at which time he established himself in Lima and devoted himself to business. He founded the *Compañía Nacional de Tejidos "La Victoria"* and the *Compañía Urbanizadora* of the same name, and he was made a director upon the boards of several limited companies. He did not abandon, on this account, his international studies, and he conducted courses of study in diplomatic law and the

history of the treaties of Perú, a professorship that was offered him by the Facultad de Ciencias Políticas y Administrativas. In 1900, he contracted matrimony with his first cousin, señorita Carmen Heeren y Barreda. When don Manuel Candamo, the leader of the civil party, was elected constitutional president for the term of 1903-1907, he intrusted to señor Pardo the presidency of his first cabinet and the portfolio of minister of foreign relations, a position which he filled from September 24, 1903, until May, 1904.

The lamented death of señor Candamo rendered an election necessary. The civil party chose señor Pardo as its leader and announced his candidacy for the presidency of the republic, in accord with the constitutional party and the civic union.

During the months that he had been in the administration, señor Pardo acquired a great reputation for his initiative in all branches of the government, so that, although the democratic and the liberal parties supported the candidacy of the former president, señor don Nicolás de Piérola, the leader of the democratic party, in opposition to señor Pardo, the opinion of the majority was so decidedly in favor of señor Pardo that señor Piérola withdrew his candidacy before the elections occurred; and, the elections being held, señor Pardo assumed charge of the government, from September 24, 1904, until September 24, 1908.

This period of government was without doubt the most propitious to the progress of the country. The citizens enjoyed full guaranties; the freedom of the press was absolute; there were no persecutions for holding adverse political opinions. During no former period was a greater number of extraordinary meetings of the congress convoked, notwithstanding the fact that the government had to face a respectable and well organized opposition, composed of the representatives of the democratic and the liberal parties, many of whom were reelected senators and deputies during senior Pardo's administration. The opposition followed, on its part,

the example of the government, and it also showed respect for the law and for men.

In all the branches of the administration, active labors were accomplished, and señor Pardo was able to carry out as president many of the plans he had begun as minister: an arduous undertaking, in which he found himself seconded by the energy and decision of his political friends.

He maintained strict cordiality in the relations of Perú with all the other nations, especially with those of South America, and with the United States of America.

He invoked anew the arbitration of Spain in the solution of the question of boundaries pending with Ecuador. The problem of the frontiers with Bolivia was submitted to the arbitration of the president of the Argentine republic; the *modus vivendi* with Brazil was prorogued; and a friendly protocol was arranged with Colombia; the interrupted diplomatic relations with Chile were renewed; a general treaty of arbitration was celebrated with Italy.

In respect of the public exchequer, señor Pardo doubled in four years the government income, which was fourteen million *soles*¹ when he entered office, and twenty-eight millions when he delivered it to his successor. This considerable increase was due both to the new laws that created additional revenues and to the development of commerce and the industries, achieved through the blessings of the order and well-being that are fostered by enlightened governments.

In public instruction, a transcendent reform was effected by taking from the municipality the administration of the primary schools, which since then have been under the charge of the state, there being organized a Dirección de Instrucción, and special revenues being created, which enabled President Pardo to leave, upon the completion of his term, three thousand public schools in operation.

¹ The *sol* is equivalent to .4864 cents, United States money.

Señor Pardo took the greatest interest in the establishment of a national steamship company, and he attained his object by organizing the *Compañía Peruana de Vapores y Dique del Callao*, a company that acquired five steamers and a floating dock of seven thousand tons for the port of Callao.

During the recent war, the country has experienced the incalculable advantages which have accrued to the maritime traffic from the possession of national merchant vessels, without which the commerce, and even the provisioning of the population, would have suffered enormous damages, as occurred in countries that were lacking in this very valuable resource.

The government also gave diligent attention to the war and navy departments. The navy beheld the dawn of a new era with the organization of the *Escuela Naval*; the acquisition of the cruisers *Grau* and *Bolognesi* and the war transport *Iquitos*; the acquirement of a supply of heavy artillery for the batteries of Callao; and the establishment of lighthouses for the Peruvian coast.

In the department of war, señor Pardo concerned himself equally with the development of the army. He enlarged the scope of the *Escuela Militar*; he caused the law of obligatory military service to be strictly enforced; he organized annual maneuvers, even to the extent of calling out the reserves; he instituted national military target practice and a school of marksmanship; and he equipped the army with the most modern artillery material.

In the department of *Fomento*,² his government accomplished undertakings of great value for the development of the undertakings of great value for the development of the country, such as the railways from Sincuaní to Cuzco, from Oroya to Huancayo, from Yonán to Chilite, from Ilo to Moquegua and from Puerto Pizarro to Tumbes.

² A department of the national government charged with fostering and protecting new enterprises.

Extensive telegraph lines were constructed; wireless communication was established between Lima and Iquitos; and the erection of the Palacio Legislativo, the Cárcel Central de Lima, the Ministerio del Gobierno and a number of student centers were undertaken. Señor Pardo's government brought before the congress the idea of studying the labor laws.

The accomplishment of all this enormous labor enabled señor Pardo to leave the presidency with a great reputation; and amid the most spontaneous acclamations, which were lavished upon him by all the social classes, he returned to his home September 24, 1908, delivering the government to the president elected by the people, señor Augusto B. Leguía, a colleague of señor Pardo's in the ministry of señor Candamo and his own minister of *Hacienda* for three years.

Señor Leguía had been chosen leader of the civil party when señor Pardo entered upon the presidency of the republic; and the nation might logically expect that señor Leguía would continue the same policy of legality and national progress that had been developed from 1903.

Señor Pardo left the country in May, 1909, in order to retire from politics, and he took up his abode in Paris.

In 1911, the most important fraction that had resulted from the schism in the civil party, after the first year of the new government, besought señor Pardo to offer his candidacy in the presidential elections that were to choose a successor to señor Leguía. Señor Pardo declined the request, and he remained in Europe until the war broke out. He returned to his country in November, 1914, being received at the places where the boat touched and at Callao with great demonstrations of enthusiasm.

Upon his arrival, he attempted the unification of the civil party by proposing a formula couched in the broadest terms; but he met no success in his efforts; and this induced him to abstain entirely from all political activity and devote his time to the duties of the rectorship of the Universidad Mayor de

San Marcos in Lima, to which he had been elected unanimously by the votes of the professorial delegates. During the few months in which politics permitted señor Pardo to discharge this honorable function, he instituted plans to foster higher learning. He created chairs of foreign languages in the faculty of letters, and he organized university extension courses by means of public lectures and by studies, at popular centers, in history, geography, hygiene and drawing, conducted by the younger professors.

Politics, however, imposed upon señor Pardo other labors. It being necessary that elections should be held for president and vice-president that the republic might return to a condition of constitutional legality, the provisional president, General Benavides, promoted the organization of a political convention, formed by a hundred delegates from each party—the civil, the liberal and the constitutional—and by the persons who, during the last ten years, had held office as ministers of state, senators or deputies. This plan permitted the participation in the convention also of members of the old democratic party and of many citizens of importance, already retired from politics. For the first time in the history of Perú and of all the South American nations, there took place the nomination of a candidate for the presidency by a convention of the delegates of all the parties. The convention nominated señor Pardo as its national candidate. The elections were held, and he was chosen president for the new term from August 18, 1915, until August 18, 1919.

The manifesto that señor Pardo addressed to his fellow-citizens, and which will be given the reader immediately, contains a synthesis of this new period of order, of respect for law and of progress, disturbed thirty days before the completion of his constitutional term by an unjustifiable revolution.

We do not desire to add anything to what the former president sets forth, both as to the work accomplished during

the four years of his government and as to the true significance and motives of the revolution of July 4, which came to interrupt again the constitutional life of Perú; but we do desire to reproduce the words that señor Pardo addressed to the congress in his message of July 28, 1918, which faithfully represent his thought in respect of the manner in which political parties ought to solve the problem of presidential succession. Unfortunately the parties did not harken to the patriotic voice of President Pardo, and now the same political groups have fallen under the sway of an imperious partisanship which has driven from the country her leaders and delivered her over to a relentless dictatorship.

The following are the ideas expressed in the message to which we have referred:

The new policy of the nation continues to develop in accord with the elevated and patriotic aspirations that gave birth to the present régime. The government, loyal to them, has only sought at every moment to serve the public interests, and in its honest endeavor—it is a satisfaction to me to recall it—it has had and now has the valuable support of the majority of the parties.

The nearness of the date at which the personnel of the executive power is to be renewed again brings before the nation the political problem in all its fullness and gravity.

Happily, the progress achieved during these last three years of government—in which we have been able to contemplate, with legitimate satisfaction, the establishment of the constitutional régime; the building up of the national prestige abroad through the development of a policy of good understanding and cordiality; the reorganization of the administrative service; the increase of the fiscal revenues; the restoration of the credit of the state; the carrying on of work demanded by respect for institutions or by the great public necessities; in short, the resuscitation of all the vital powers of the nation, the sure harbinger of a brilliant future—points out to us, with the imperative force of a patriotic mandate, with greater intensity even than in 1915, whenever we are

the profitters by a system, adopted then for the first time in political customs—points out to us, I say—the duty of giving to the problem a solution of concord, which will prevent the lamentable strife of overweening personal ambitions.

On the other hand, as there do not exist in the programs of our different political parties any fundamental divergencies, there can be no difficulty to-day, as there was none three years ago, to prevent all from uniting in a solemn act to nominate the national candidate for the presidency of the republic who is to be presented to the popular vote, thus laying the foundation of a vigorous system of opinion that will not suffer in the exercise of the public functions the disturbing influences of party interest, and that shall find inspiration for its acts, as the government over which I preside finds inspiration, solely in the country's general needs.

One other consideration ought to determine us to guard zealously the victory that is represented in the support of our civic culture by the institution of conventions: they will mean the definitive death of the partisan system of government.

The epoch of the apogee of the partisan leaders, which has wrought so much harm to the republic by taking people unawares with deceitful promises in order to make them victims afterward of their own despotic and authoritarian tendencies, by feigning love and respect for institutions and laws, in order soon to cover them with contempt and mockery by postponing the permanent interests of the nation to the satisfaction of their hatreds and passions, ought to be closed for ever in Perú, which has the right, by reason of the glory of her traditions and the greatness of her destiny, to be governed, as all enlightened countries are, by the reasonable rules of political law, and not by the violence of inadvised personal ambition: by the most upright, and not by the most audacious.

Publicists and statesmen, persuaded of the decisive influence that the qualities of the leader of the nation exercise upon the life of democracies, urge the necessity of withdrawing his election from popular effervescences and passions, in order to confide it to the reputable and serene judgment of the legislative assembly; and even among us this plan has been suggested.

Without considering this reform timely, but rather, far from doing so, deeming it, as I do, dangerous in respect of our present political condition, I hold that it is necessary to enrich the electoral habits of the country by adopting methods that will lead us, slowly but surely and progressively, to a realization of the democratic idea, which consists in elevating to the highest magistracies, through the intelligently combined coöperation of all the factors of the citizenry, honorable rulers, worthy of so lofty an investiture.

What democracies seek with longing is the triumph of moral superiority, and we certainly ought to be brought nearer to the satisfaction of this fruitful craving by the nominating convention, which, organized upon bases as ample as those that underlie the platform of March, 1915, shall permit all the tendencies of national opinion to be represented.

As to the mere functioning of the convention, it would be impossible to entertain a doubt as to its happy outcome, because the nation is now aware of the patriotism of its directive parties and she knows that for them it is a question of loyalty and honor to prevent the frustration of the most noble aspirations of the present hour.

A. R.

New York, December 1, 1919.

Declaration of Señor Doctor DON JOSÉ PARDO *President of Perú*

Although driven from the government by public force and compelled to leave the country, I do not consider myself excused from complying with the constitutional precept that lays upon the president of the republic the duty of rendering to his fellow-citizens an account of his acts at the legal conclusion of his term of office.

Far from it, it is for me a matter of the most legitimate satisfaction to be able to present to-day a statement of the work accomplished by the administration that was overthrown by the soldiery on the fourth of July just past, thus making it clear to all honorable consciences that the governmental action of the last four years was always based upon the dictates of the purest patriotism; that it respected the constitution and laws; that it fully guaranteed the free exercise of the rights of citizenship; and that it adhered with loyalty and perseverance to the program that had been outlined in respect of the fiscal and economic development of the nation.

FOREIGN RELATIONS

When I assumed authority for the second time, in August, 1915, the international situation of Perú was one of marked isolation. The break occasioned in the constitutional life of the nation had produced a painful impression throughout the world, by reaf-

firming the universal public conception that only legally constituted governments possess the lofty representative authority of the external sovereignty of states; and the reduction of our diplomatic service, to which the great fiscal crisis of 1914 gave rise, had also tended to weaken appreciably the influence of the republic abroad.

Elevated to the chief magistracy in a truly exceptional manner, with the prestige of a free and undisputed election, I thought that I ought preferably to address my attention to securing the restoration of our good name beyond the national borders, and to this end I considered it wise to send accredited legations to La Paz, Montevideo and Buenos Aires.

My desires were immediately and fully satisfied; for the statesmen who directed the international policy of the continent knew very well that my presence at the head of the government was a guaranty that, in so far as Perú was concerned, the old bonds of fraternal friendship that unite her with their states would necessarily be strengthened; and, because all the peoples remembered that my past acts as a ruler had been distinguished by a persistent endeavor to arrive at a wise juridical solution of our territorial questions, while avoiding carefully, and without any diminution, certainly, of the honor and integrity of the country, every irritating political incident that might contribute to the perturbation of the harmony of America.

When the United States declared war upon Germany, my government, which had always protested against the unrestricted submarine campaign, placed

itself in full harmony with the policy of the great republic of the north; and, in order to accentuate its attitude of frank Americanism, it refrained from declaring its neutrality toward the conflict, as the practice of international law would have provided in such a case.

In my message of July, 1917, at the same time that I reproduced some of the noble principles proclaimed by the president of the United States before the congress of his country in April of the same year, I said textually:

Perú—which in all the acts of her international life, has sought to incorporate these principles of justice in the juridicial and political relations of the American peoples; Perú, which, in a not remote war, sacrificed to these ideals the blood of her sons, the wealth of her treasures and her future hopes—could not remain indifferent to the words of President Wilson, and she renews her adherence, another time still, to such noble purposes.

Not in vain will be the sufferings of humanity during these years of the terrible war that draws in the most powerful and peaceful nation of history, if by her effort there be erected the new edifice of international society upon the immovable foundation of justice and respect for sovereignty.

Shortly afterward, on September 5, of the same year of 1917, the head of the chancellery, Doctor Francisco Tudela, presented the following declaration in the chamber of deputies:

The minister of foreign relations, ratifying the declarations contained in the last message of the president of the republic, and reaffirming the thoughts he expressed before the chamber of deputies, declares that the foreign policy of the Peruvian government has as its object Pan American solidarity, founded upon the principles of international justice that have been proclaimed by the president of the United States.

On October 5, the congress of the republic met in full session at the invitation of the minister of foreign relations, and it approved by a hundred and five to five votes the motion of señor José Balta, a renowned and distinguished member of the majority:

In view of the declaration of the señor minister of foreign relations and of the principles proclaimed by the chancellery and by the chambers, the congress approves the breaking off of relations with the German empire proposed by the executive.

The result of the parliamentary resolution, while at the same time that it reflected the national sentiment, openly favorable to the cause of the allied countries, was the best denial that could be given to those who, boasting of being indifferent to the supreme interests of the nation, and stimulated only by the ignoble purpose of injuring me, kept on affirming, in every possible manner and with the most refined malevolence, that those who were in charge of the government did not look with sympathy upon the policy of a sincere support of the United States in respect of the struggle that has stained the fields of Europe with blood for the period of four years, and which, for the happiness of humanity and thanks principally to the powerful moral and military support of the American federation, has terminated with the triumph of the most elevated ideals of justice.

However, the international policy of the government over which I have had the honor to preside was not minded to limit itself to formal declarations of Americanism, but, penetrating to the realm of realities, although without ceasing to contemplate, as was its duty, the actual condition of the country, lent to the

allies all the assistance compatible with the true state of the material resources on which it could rely. Thus we granted the unrestricted use of our ports to the war vessels of the allies; we also gave them permission to utilize the wireless service of the state; and when the illegal destruction of merchant vessels of all flags and on all seas produced a profound disturbance of commercial traffic, we took possession of the German steamers and ships lying in Peruvian waters, and we entered into a contract with the Shipping Board's Emergency Fleet Corporation by which that fleet was placed at the disposition of the government of the United States, thus showing that the adherence of Perú to the cause was positive and sincere.

My policy in the international sphere has been criticised, however, and that very severely, because I did not lead the country to the extreme of a declaration of war against Germany; and the leader of the victorious revolution that to-day exercises dictatorship in Perú had the temerity to charge the constitutional government, in a political speech, with having let escape "an unique opportunity" for recovering the territories occupied by Chile.

I ought to set forth with all frankness that I was always opposed to the nation's proclaiming a state of war with the German empire, because I have a very rigid notion of the circumspection with which it is necessary to direct affairs of state, and because I have a still higher idea of the respect that governments owe to the good name of their country.

To declare war upon a powerful people that developed its martial activities upon a stage eight thousand

miles removed from our soil, while lacking all the necessary means of lending effective aid to the armies that were defending the right, would have been to place the republic in a situation but slightly pleasant, which verged upon the borders of the despicable, if it be recalled that a few years before, and even at the expense of the integrity of our national territory, we made enormous sacrifices in order to preserve the peace with peoples less remote and less strong, when the intriguery of the Chilean policy, efficaciously served by the imprudent and insensate efforts of the same functionary who is at present intrusted with the management of the foreign relations of the country, was about to plunge us in the irreparable national disasters of 1909 and 1910 with Bolivia, Brazil and Ecuador.

Our true situation has been so well understood and appreciated by the allied governments that the idea of suggesting to the chancellery a declaration of war against Germany never occurred to any of their representatives or agents. On the other hand, the manifestations of frank sympathy which Perú has received from all of them, in view of the participation of which she was capable in the world conflict, are public property.

It would not be worth while therefore to pause to take up the charges and condemnations which have been heaped upon me with visible hatred on this account, if they were not the unquestionable exponents of the inconsistency that dominates the authors of them, the present shapers of the national policy.

I consider it, indeed, an inevitable duty on my part

to make it clear that never, during the four years of this second administration over which I have presided, the same as in my former term of 1904-1908, was there presented a single propitious opportunity for the recovery of the Peruvian territories shorn off by Chile. Such a remarkable occasion for the achievement of national revindication has existed at this time for Italy, a great power whose military assistance has weighed considerably in the fate of the European war; but could it be said with honor and loyalty that the distant support of Perú, in case it were feasible, would have had the power of wresting from the allies an agreement remotely analagous even to the treaty of London?

However, the language employed by my detractors not only reveals a total misunderstanding of the enormous responsibilities incurred by men who aspire to the management of the destiny of a people, when they address it, in respect of grave external problems, in terms that are at strife with truth and patriotism, but it also demonstrates an absolute failure to comprehend the new juridicial formulas adopted by humanity since the entrance of the United States into the great struggle took place under the wise and generous inspiration of President Wilson.

To seek, at the present moment of the world, to adjust the dominion of the rules of law in the society of nations to the text of political conventions is to overlook the new and ample orientations that are opened to the existence of states and which, now incorporated in the covenant of the league of nations assure full reparation for all the historic injustices.

Perú has welcomed with enthusiasm the radical transformation that obtains to-day in public law, because at all times, whether at the dawn of her independence, when, seconding the lofty thought of Bolívar, she participated in the congress of Panamá in 1826, when she took a seat in the Pan American conference in Washington in 1889—a noble exponent of the moral superiority of Blaine—inevitably, throughout every incident of her political existence, she upheld the principle of judicial solution as the only effective means of settling differences between nations.

She has absolute faith that the application of these norms will fulfil her national aspirations, because her demands are legitimate and because the equality of nations, established by universal consensus, excludes all distinction “between large and small, between powerful and weak peoples,” by sheltering them beneath the same conception of justice.

That the policy of my government in the face of the world war has shed luster and respectability upon the country abroad is revealed by the fact that Perú has taken part in the peace conference and has enjoyed precisely the same diplomatic representation as that assigned to the belligerent nations of America which, by reason of military and economic deficiencies known to all, were not able to lend to the allied powers any other assistance than their moral solidarity.

In other respects, the appreciation which the greatest peoples of the earth have expressed of our international conduct stands as the strongest refutation that could be offered to the systematic and

heated anathematizers of the policies of the chancellery.

For three years, and without overlooking any occasion, I have made known to the government of Chile my desire to see diplomatic relations reestablished between our respective countries; but, unfortunately, this desire of my administration was not realized, because there prevailed among the members of the cabinet of Santiago the idea—from which I had to differ fundamentally at every moment—that the reestablishment of legations would be improper, if this act of reciprocal friendship were not preceded by an agreement of the chancelleries regarding the solution of the problem of Tacna and Arica.

Deplorable circumstances that took place previously have united to aggravate the subject of political interdiction in which we live with respect to our neighbor of the south, and which also compelled us to withdraw the accredited consular agents whom we had in Chile and whom the government of La Moneda³ refused to grant the due guaranties for the free exercise of their function.

The triumph of the allied cause thrilled the national heart of Perú in November, 1918. The reintegration of the soil of France, with the return to the bosom of the country of the provinces of Alsace and Lorraine, and the certainty that very soon Wilson's lofty principles would become incorporated in the league of nations, which would mean the reign of peace and justice in the world, were memorable acts destined to

³ The Chilean White House or executive mansion.

stir profoundly the spirit of our people, who, the victim of the growing Prussianism implanted by Chile in America in 1879, awaited longingly the hour that would announce the final overthrow of all imperialisms.

The victory of law must necessarily provoke a very different echo in the republic of the far south. The international policy of that country—being based upon the idea of force which her diplomats and publicists always proclaim without mincing words; her army, organized upon and instructed in the principles of German tactics; her youth, educated in admiration of the Prussian methods and aspirations of conquest—Chile must have felt, with the overthrow of the German empire, a bitter and painful contrast. When she saw disappear for ever her dreams of greatness, which were to be built upon the violation and despoilment of the sovereignty of weaker nations, in the spasm of her keen disillusionment, she was unable to find any other means expressive of her profound hatred of our country than that of making the Peruvian inhabitants of the territories which she annexed, as a result of the war of the Pacific, the object of most unjust and cruel persecutions.

Upon the expulsion of the consul of Perú at Iquique, accomplished by individuals of the Chilean population, with the manifest and proven complicity of the authorities of the port, there followed innumerable assaults upon the persons and properties of our compatriots, which had, as a natural and inevitable epilogue, the exodus *en masse* of thousands of Peruvians from Tarapacá, Arica and Tacna, where they

were living engaged in the honest labor of industry in its varied and rich manifestations.

The chancellery of Santiago, by means of circulars to its legations abroad, and President Sanfuentes, in his last message to the congress, comprehending doubtless the reaction that their vituperable attitude was to awaken in the conscience of humanity, have attempted in vain to smooth it over by alleging that the departure of the Peruvians from Tarapacá was occasioned by the paralyzation of labor in the saltpeter works, due to the crisis in nitrate.

Neither the number of the expatriates from the south, nor the simultaneous and violent manner in which they were compelled to abandon their labor and their homes, nor even the habitual occupation in which a great number of them were engaged, lent verisimilitude to the explanation which, after the manner of an excuse, the government of Chile has sought to give to the society of civilized peoples; all this is aside from argument that can have no application in respect of the inhabitants of Tacna and Arica, a region in which the deposits of saltpeter are not exploited.

As to the assertion, made equally by the president of Chile, to the effect that the consuls of his country in Perú could not rely upon the corresponding guaranties, I find it my duty to reply to the charge by making it clear that they always received from the Peruvian government and its people due respect, and that their retirement from the national territory took place after the consular agents of Perú in Chile had been withdrawn by the express order of the chancellery.

These disagreeable incidents stirred, as was natural, the public opinion of America, and the president of the United States, animated by a noble spirit of fraternity, hastened to offer his friendly action to Chile and Perú.

My government, in agreement with the enlightened opinion of the members of the diplomatic committee of the congress and interpreting the unanimous view of the nation, welcomed with lively sympathy the generous action of the head of the United States government, to whom it was my honor to address the following cable message, in reply to one received from him through the medium of the envoy extraordinary and minister plenipotentiary of the United States in Lima:

To his excellency Woodrow Wilson, president of the United States, en route to Europe:

I have received through the medium of his excellency, Mr. McMillin, envoy extraordinary and minister plenipotentiary of the United States in this capital, the telegram of your excellency relative to our question with Chile, and I hasten to present to your excellency, in the name of Perú, the most lively and sincere expression of our appreciation of your generous effort to maintain peace.

The rupture of consular relations is in no sense an act of hostility or disturbance on our part, but, on the contrary, one of prudence, in order to avoid the aggravation of agitations and assaults against our agents.

We have not been able to prevent, unfortunately, our citizens who live upon their own soil, occupied by Chile, from being victims, as they have been often and in recent days, of hateful, outrageous and grave injuries to their persons and properties.

Our country asks for the prevalence of natural justice and of the principles of civilization, to the end that such a state of affairs may cease immediately and finally, and that merited pun-

ishment shall be meted out to the responsible authorities, and that proper guaranties shall be given.

These lawless acts demonstrate once more that the powers of oppression against which civilized nations have fought exist also in a certain measure upon this continent, and that here, as in Europe, there are parts of a country torn from their natural nucleus and subjected to misfortune by the dominion of brute force.

All Peruvian hearts go with your excellency upon your journey to Europe, because they profoundly cherish the hope that your excellency, who is the most authoritative interpreter of the magnificent ideals of the juridicial ordering of the world, shall obtain in the conference in Paris the sanction of the systems and organizations in accordance with which shall be effected a just solution of the problems that disturb our life and prevent our devoting ourselves with confidence to the work and felicity of our people.

Your excellency confers upon us a new benefit by offering us your high mediation for the settlement of our difficulties with the republic of Chile. The government of Perú accepts without hesitation and with gratitude your excellency's mediation. The government of Perú and the entire nation understand that your excellency, as the creator of new forms of liberty and justice in the common international life, will secure their application in our case and will lend us your valuable assistance in order that there may reign between these republics a peace based upon right, which will only be possible when one possesses what is his own without the stain of conquest, and when peoples obey the states and governments to which they belong historically and which they freely desire to obey.

I salute your excellency and express to you the longings of the Peruvian nation for a happy voyage and for the fruition of your noble purposes in behalf of humanity.

JOSÉ PARDO,
President of Perú.

Desiring that the whole country, in an act of patriotic solidarity, should assist in alleviating the sad condition of our fellow-countrymen in the south,

I appealed to her by means of a proclamation in which I invited all the social classes to contribute in behalf of our martyred brethren.

As was to be expected, the idea was welcomed with whole-hearted and general enthusiasm, and in a few days the public subscription reached approximately the sum of \$97,280.00.

Unhappily, the executive has been assailed by political interests that have been distinguished by their contempt for the most sacred interests of the republic. They made those subscribers the objects of their attacks, and the country must recall with a strange sentiment, a mixture of reprobation and pain, that because of the celebration of a session directed by known agitators, in the course of which reputable members of the aid committee were the target of most incredible attacks, and the assistance which our society was hastening to render, in response to my initiative, suddenly had to cease.

May I be permitted to improve this opportunity to express my appreciation to the distinguished group of ladies and gentlemen who were kind enough to second the patriotic efforts of the government, an appreciation that I ought to extend to the cultured society of Arequipa for the immediate coöperation which it extended to the state by taking charge of the organizing of aid for the children of that department, thrust forth, as they were, from the territories to-day occupied by Chile.

Alleging reasons founded upon the absolute right of peoples to their preservation and development,

General Ismael Montes, former president of Bolivia and plenipotenciary of his nation in France, addressed a note to the minister of foreign affairs of that republic, in January of the current year, informing him that the government of his country entertained the purpose of presenting to the league of nations a petition in which it would assert the claims of its pretended title to the territories of Tacna and Arica, a title which he considers superior to that presented by Perú or Chile.

Shortly afterward, the chancellery of La Paz addressed a circular to its legations abroad in which it insisted, although in terms less precise and less clear, upon the aspirations expressed by General Montes.

In protection of the indisputable rights of our nation to the definitive sovereignty of the provinces of Tacna and Arica, the chancellery replied, under date of April 30, to the Bolivian circular to make it clear that Perú would never consent to renouncing her rights to her territories; that she is not disposed to cede them at any price; that she refuses the offers of compensation at which an attempt has been made; and that she is resolved to appeal to the league of nations, assured of securing the most ample guaranties of her rights.

It is hardly to be conceived how Bolivia's diplomacy has been able to fall into the error of believing that a tribunal of all the free democracies, like the league of nations, instituted precisely to assure full respect for the sovereignty of states, would be disposed to accept a petition presented by its legation in Paris, which does not limit itself to invoking the natural right of Bolivia to have access to the ocean.

but which undertakes to obtain it with detriment to the national integrity of a traditionally friendly people.

Throughout our existence as a republic, well-nigh a century long, Bolivia has never dared to dispute the full and lofty juridicial right that gives to Perú domination and sovereignty over the territories of Tacna and Arica.

If to-day she justly aspires to obtain direct communication to the sea, her statesmen ought to seek it in a formula that would not involve an attack upon the legitimate rights of our nation, which, to the fullest extent and animated by the purpose of diminishing the harmful effects to the economy of the Bolivian republic which would be caused by the mediterranean condition to which the implacable victor of 1879 reduced her, did not fail, as she does not fail to-day, to exert every effort to enable her to develop, free of hindrances and burdens, her commercial activity by means of our railways and ports.

The defense of the rights of Perú in this exceptional hour of the existence of the nations has been contemplated by my government with the most exacting zeal, of which the wisdom with which the chancellery proceeded to make provision for our principal legations is an evident manifestation.

It would be sufficient, indeed, to run over the names of the distinguished personages who have served in the diplomatic representation of the country at Washington, London, Paris and Brussels, Rome and The Hague, Rio de Janeiro and Buenos Aires, in order to give incontestable value to my assertion and to demonstrate in an absolute manner that the constitutional

regimen had not, as it could not have, in the direction of foreign affairs, any other end than that of attaining the greatest efficiency in safeguarding the supreme interests of the republic.

An intense activity in propaganda has also been carried on in behalf of the cause of our country, in the most important centers of culture of Europe and America; and in this fruitful labor we have had the good fortune to be able to avail ourselves of the invaluable coöperation of distinguished foreign publicists, who have sought generously to honor Perú by the aid of their prestige and talents.

The circulars published by our chancellery under the dates of December 2 and 28, 1918, and June 12, February 14 and April 30, of this year have also contributed to the just and proper molding of international public opinion regarding the reality of our present problems.

That the foreign policy of my government has contributed to the honor and respect of Perú has been attested—rather than by any number of phrases—by the extraordinary missions which were sent to us by England, Argentina and Uruguay, in the persons of their illustrious ambassadors, his excellency señor Bunsen, his excellency señor Saguier and his excellency señor Brum, the president of Uruguay at the present time; in the decision of his holiness, Pope Benedict XV, to raise to a nunciature his diplomatic representative in this country; and the same decision on the part of the United States, granting to us the corresponding right to elevate our representative at Washington to the rank of ambassador; and finally, the

participation of Perú in the conference of peace and in the signing by our delegate of the treaty of Versailles.

The recalling of all these facts enables the nation to judge whether the government which has terminated did or did not serve her interests with foresight and patriotism; and the future will decide whether revolution and dictatorship guide the destiny of Perú with greater wisdom and efficiency.

THE EXCHEQUER

The moment in which it fell to my lot to assume charge, for the second time, of the management of the affairs of the exchequer was exceptionally serious.

My fellow-citizens unquestionably will not forget that in August, 1915, the economic activity of the nation was considerably restricted as the result of manifold causes, some of which originated in the state of profound political disturbance in which we lived, and others, in the general distrust awakened by the first symptoms reflected by the European war.

As a contributory cause, to complete the pessimism that filled the air, came the condition of the marked disequilibrium of the public treasury, which had been carrying for several years an enormous floating debt, accumulated in the main during the first term of government of the present dictator, as was made known to the nation by President Billinghurst in the financial communication which he addressed to the congress upon assuming charge.

This debt had not been contracted in order to set on foot public works and great reforms in the country.

No; no greater value in the national wealth compensated for these considerable charges upon the national credit.

The floating debt of the government in 1912 is the bill which the government has to pay for the mistakes of every kind of which that destructive administration was guilty.

The reduction of public revenues occasioned by the war aggravated the financial situation, and the crisis reached such a point that the exchequer did not pay the administrative debts corresponding to the first fortnight of August, 1915. The fiscal credit had disappeared entirely. The economic situation of the republic reflected the financial crisis and an absolute lack of confidence, growing out of the fear that a new issue of bank-notes, which would put us upon a basis of paper money, would be necessary.

Therefore, although the value of exports considerably exceeded the value of imports, foreign exchange was unfavorable to our money, and the balance from the national production remained abroad.

Knowing the true cause of the bad economic situation, at the same time as the importance of the national resources, I did not hesitate to assume the responsibilities of the hour, trusting that the whole country would now perceive the danger to her future that so abnormal a state of things involved, and that she would second with abnegation and patriotism my efforts as a ruler.

To this effect, in the statement which I made to the nation on April 30, 1915, as the result of my being proclaimed by all parties as a candidate for the presidency

of the republic, I presented a financial program which I formalized in a discourse that I pronounced when I received the insignia of the supreme command. In that program, I indicated in a concrete manner the policy which my government would follow in this respect, and when it was made public, it immediately reestablished confidence, which was strengthened when the nation beheld the constitutional régime restored and the efforts put forth by the government for the prompt execution of the financial measures proposed.

The bases of the reforms consisted in:

1. The strict revision of public expenses in order to limit them to the most urgent needs of the administration.

2. The increase of public revenues to the extent necessary to meet the expenses of the nation, the debts of the state and the amortization of the floating debt.

3. The solemn engagement to the nation not to effect new fiduciary issues of paper and to increase the effective guaranty in metallic gold that might serve as a basis for the issues made, in order that, at the close of the war, the conversion might be accomplished in the manner established by the respective laws.

When these efforts of the executive power should be embodied in laws and they should result in a régime of order, rectitude and justice, they would necessarily obtain the most complete success, since they would not seriously affect the normal administrative process nor deplete the productive powers of the nation, singularly stimulated by the high prices which our principal articles still command in the world market.

To-day the economic and fiscal condition of Perú truly is flattering.

The figures which our foreign commerce totaled in the last three years proclaim a high degree of prosperity. They are as follows:

1916	\$122,710,029.14
1917	156,359,438.69
1918	145,352,375.97

In 1915, the foreign trade amounted to only \$83,-751,349.54.

The bank movements are another appreciable indication of the economic progress that has occurred during recent times. The following data will give an approximate idea of the capitalization effected by the country during the constitutional period:

Total cash in the banks,	
August 15, 1915	\$7,697,502.77
Total cash in the banks,	
June 30, 1916	8,376,395.77
Total cash in the banks,	
June 30, 1917	14,208,984.32
Total cash in the banks,	
June 30, 1918	16,549,502.20
Total cash in the banks,	
June 30, 1919	25,371,988.83
Deposits and credit accounts,	
August 15, 1915	10,181,290.26
Deposits and credit accounts,	
June 30, 1916	11,922,131.43
Deposits and credit accounts,	
June 30, 1917	27,374,387.71
Deposits and credit accounts,	
June 30, 1918	37,652,642.30
Deposits and credit accounts,	
June 30, 1919	48,085,101.26

In the manifesto which I addressed to the nation on April 20, 1915, as a result of my being proclaimed the candidate of all the political parties for the presidency of the republic, I made a solemn promise to free the country from the menace of national bank-notes by means of the steady development of a financial policy that should be far-seeing and discreet. I said at the time:

These declarations ought to convey to the public mind the most absolute confidence that the specter of a national bank-note has been definitely removed from our frontiers.

The reality has fully confirmed my promise.

On June 30, 1915, the board of supervision had on hand \$1,376,155.92, which was equivalent to 20 per cent. more than the amount of the issue, at that time \$1,149,783.74.

On June 30 of the present year the stock of gold with the board of supervision and in banks of New York and London was \$23,015,903.23; that is, 87.27 per cent. of the total of the issue, amounting to \$26,370,214.95.

These figures constitute the best exponent of the earnestness with which the government devoted itself at every moment to the maintenance of the value of our money, and to which effect it not only invariably took pains that order and prudence should reign in the organization of our fiscal system, but that, by favoring importation and the coinage of gold and by securing it for institutions of credit in exchange for bills intended for circulation, the metallic guaranty

of the check⁴ was appreciably increased, thus definitely assuring the stability of the monetary system of our country.

The administration also contributed to the happy solution of our monetary problems by giving solicitous attention to the payment of the loans made by the banks to the government, in pursuance of laws number 1968 and number 1982.

These payments being made with all punctuality, it was possible to reduce these credits in such a manner that, from \$2,353,241, to which it amounted on June 30, 1915, it reached only \$1,072,829.91 on the same day of the present year.

With a view to the government's being able to pay off immediately in gold this balance against it and in favor of the banks, of \$1,072,829.91, a part of the obligation of these institutions in behalf of the public for the amount of the circular checks, the respective bill for a law to be presented to the congress on the day of its installation was formulated. This bill permitted the making of an immediate delivery in metallic gold of the balance mentioned to the board of supervision.

The proceeding under consideration enabled the exchequer to free itself of this obligation, without assuming new debts and without imposing new burdens upon the people.

The responsibility of the government being discharged, the banks, in which there was still a certain

⁴ The fiscal notes issued during the period were called checks to avoid the use of the words "note" or "bill," unfamiliar and disagreeable to Peruvian ears. Hitherto the only money in use was gold, silver, nickel or copper coin.

difference between the gold deposits and the amount of the checks received, would also have had to fulfil their guaranties, and in this manner, on August 18, at the conclusion of my term, the nation would have had in gold on deposit the whole amount of the circulating checks.

This plan had also another advantage of great importance to the country: that of releasing the tobacco revenue, ten per cent. of the net product of which was set apart to pay off the loan made by the banks; and upon the making of this payment, the fund available for the construction of railways was to be increased by this ten per cent.

The problems that resulted from the extraordinary rise in value of silver were also duly considered by the administration, and it solicited and obtained from the congress the necessary laws, by virtue of which were issued the bills of one *sol* and the nickel fractional coin of twenty, ten and five *centavos*.

Equally, because of the crisis that occurred in international exchange and in circulation itself as a result of the prohibition of the export of gold from the United States, the government had to request in due season the authority of the legislative power to increase by \$14,592,000 the amount of the issue, with the guaranty of deposits made in the banks of New York and London.

Notwithstanding the marked misgiving with which a good part of the public received these last acts of the executive power, they served to solve the great difficulties in which the national economy was involved by the notable scarcity in the circulating medium, and

they also prevented the withdrawal from commercial activity of large sums of money, the amount of the balance from our sales abroad.

In order to free the tobacco revenue which, as is known, is set apart for the payment of the loans made by banks to the extent of ten per cent., until the circulating checks shall be redeemed, and of twenty per cent. from the date of this operation, and above all, for the purpose of enabling the government to pay off punctually in gold its still remaining obligation, thus enabling the banks themselves to cover the amount of their issue in gold, a bill was formulated that was to be submitted to the congress, and in the drawing of which the ideas for the public good mentioned above were contemplated, without involving new revenues or the making of any loan.

This step being sanctioned, the guaranty of the issue would have risen to 92.42 per cent.

The public finances have improved considerably during recent years, and this betterment is to be attributed to the new revenues created by the congress upon the proposal of the executive power.

As has just been said, the most valuable element involved in the new revenues was constituted by the export duties upon agricultural and mining products, a tax that operates upon our principal extractive industries, but which, because of the spirit of justice and public interest that has governed its creation, does not compromise, fortunately, the sources of national wealth.

These export duties established in conformity with laws 2143, of October 4, 1915, and 2187, of November

14, of the same year, brought into the treasury the following returns:

1915	\$272,157.82
1916	2,320,934.45
1917	2,868,761.90
1918	4,831,809.56
The first six months of 1919	<u>2,413,400.62</u>
	\$12,707,064.35

The new taxes created in accordance with law 2219 have contributed likewise to the increasing movement of the fiscal revenues, and they produced in the year 1918:

Consular bills of lading	\$17,190.70
Ten per cent. upon articles previously free	380,810.03
Demurrage in the custom-houses of Callao and Mollendo	<u>46,104.98</u>
	\$444,105.71

The new inheritance tax, fixed by law number 2227, has brought into the exchequer in the last year a revenue of \$85,083.58, and in the first six months of the present year of \$78,300.72.

In accord with the ideas set forth in my last message to the congress and sanctioned by law number 3069, there was constituted the new Compañía Administradora del Guano, with the understanding that the government should enjoy a stipulated participation in the selling price of the fertilizer and that the expenses of extraction and transportation should be at the expense of the company itself.

If the legislative chambers, wisely safeguarding the interests of the state connected with the fostering of this valuable source of public wealth, retain the figure

of \$1.22, proposed by the executive power as the quota for the unit of azote (nitrogen) which the government ought to receive, it is evident that the consumption of guano will extend considerably, with positive benefit to the national agriculture; and at no distant time the exchequer will have from this source a net revenue of not less than \$1,216,000 annually, resulting from the employment of a hundred thousand tons of fertilizer in agricultural enterprises.

The customs revenues, as likewise those administered by the fiscalized companies,⁵ have also increased in a proportion worthy to be taken into account.

All these factors indicate a notable progress in the development of the public income, the exact figures of which are shown in the following table:

Income received in 1914	\$14,733,015.84
Income received in 1915	14,025,813.31
Income received in 1916	19,175,755.77
Income received in 1917	21,938,756.96
Income received in 1918	23,796,930.62
Estimated income for 1919, according to the budget voted by the congress	25,142,731.38

A fundamental point of my program of government was the restoration of the credit of the nation, profoundly affected by the suspension which the state was compelled to make in the payment of all its obligations in 1914 on account of the grave crisis that occurred as a result of the declaration of war in Europe.

⁵ Companies organized under supervision of the national government, and in which a representative of the government holds a responsible position.

In order to secure this object, I had to occupy myself, from the very moment in which I assumed charge of the task of administration, with studying the best manner of putting the public treasury in a sound condition, and to this end I was authorized by the congress to make a refunding loan in the United States.

Circumstances known to all hindered the carrying out of this wise financial plan, the execution of which would have enabled the nation to save large sums of money in the payment of interest upon debts that to-day bear a higher rate, and to avail herself of the advantages to be derived from the international exchange in favor of our money, without increasing in any way the financial engagements of the state, inasmuch as it was simply an affair of refunding the debt.

The idea of placing a loan abroad being abandoned, I resolved strictly to apply the balances of the budget to the amortization of our credit obligations, a purpose which was fully realized in the transactions of 1916 and 1917, but which, unfortunately, could not be carried out with the same amplitude last year, because the congress substantially modified the figures of the budget bill for 1918 presented by the executive power.

In spite of this, the table that appears below will make known to the people of the country the energetic and constant enterprise displayed by the constitutional government in reducing the floating debt of the state—the effect of the shortsightedness and inharmony of another hour—and in restoring the foreign

credit of the nation, an advantage that is only enjoyed by peoples that are able punctually to discharge their financial obligations.

PAYMENT OF THE NATIONAL DEBTS

YEARS	AMORTIZATION	INTERESTS	TOTAL
1915	\$330,454.87	\$405,487.36	\$735,937.83
1916	1,881,228.85	1,441,985.59	3,323,211.28
1917	3,635,857.54	1,434,379.94	5,067,801.63
1918	1,226,259.16	851,854.47	2,178,109.98
1919, first six months	670,665.46	365,888.63	1,036,552.45
	<u>\$7,744,465.88</u>	<u>\$4,499,595.99</u>	<u>\$12,341,613.17</u>

As may be seen, during the period of my administration there has been paid out, on account of amortization and interest upon our debts, the considerable sum of \$12,261,629.90.

To these figures that appear in the foregoing table, as the payments made during recent years, to the sum of \$7,744,465.88, I am able to add the following amortizations, which were to be obtained from transactions carried on with the persons interested and which were about to be perfected when the government was overthrown. With the Compañía Peruana de Vapores I had on foot agreements that represented for the country the following benefits: Cancellation of the responsibility of the government

for the loan of	\$1,226,000
For the payment of	1,459,200
Besides, there were canceled also the responsibilities of the state for previous payments due and not made and which exceeded the sum of	972,800
Or a reduction of the public debt by the amount of .	<u>\$3,658,100</u>

The government was to sell the 130,000 shares which it held in this steamship company at \$972,800.

With the *Compañía del Ferrocarril de Huacho*, by virtue of the express authority of the congress, I was at the point of perfecting an agreement by which the government would receive as property the railway and its equipment in order to exploit it in the way the government might deem proper. The present issue would be replaced by an issue of government bonds, but limited to \$3,842,560, which represents the value of the work accomplished. The issue would yield the same interest as that which it would bear to-day, thus producing a larger sum to be devoted to amortization.

The sums claimed for payments due but not made would be canceled by the government with \$486,400.

These were the bases of the arrangement planned, which, as will be observed, could not have been more favorable to the public interests, because they cleared up a situation that was disadvantageous to the credit of the state, and because the debt that exists to-day in behalf of a railway that is not a property of the state, was to be refunded by a smaller sum, while at the same time the government would receive possession of the line, that is, it would increase by an equal amount the productive national property.

The government planned the organization of a company that was to manage the railway, supply it with the necessary rolling-stock and extend it to Lima, with the assurance that the products of the line were to supply the new capital necessary to carry on this work, and even to cover the responsibility for the payment of the new bonds in a short time.

Another of the purposes insistently pursued by the recent government was the refunding of the internal debt, to which effect law number 2713 was enacted, by virtue of which the present obligations, which originated with the previous fiscal administration, could be canceled with warrants subject to sinking-fund and interest charges.

The respective bonds being received from the United States, the issue was begun with the object of paying the obligations investigated by the liquidating committee, organized for this purpose.

Up to July 4, new bonds had been issued to the value of \$1,606,481.92.

With a view to liquidating the obligations of the state derived from the contract for the cancelation of the public debt of January 11, 1890, relative to the exploitation of the guano of our islands, I have used the greatest diligence in the settlement of the differences pending with the Peruvian Corporation.

Duly assured—in conformity with law number 2107—of a preference for the use of this fertilizer in the national agriculture, the government proposed to the Peruvian Corporation to pay it in money and by annuities the value of the number of tons of guano which, according to the contract of 1890 already cited, it still has the right to export—when the requirements of the farmers of the country were satisfied—until the quantity of 2,000,000 tons should be reached.

Progress was made with the new representative of the Peruvian Corporation in the solution proposed, to the point that the basis of indemnity to the corporation for the remainder of the guano that still belongs

to it was accepted; but it was not possible to reach an understanding regarding the rate at which the price of the fertilizer per ton should be estimated. Upon this point the government contended that the price ought to be fixed at the average maintained by the guano from the time when the first shipment was made by the Peruvian Corporation until the enactment of the decree of February, 1909, which, by arbitrarily establishing the division of the guano islands into zones, granted to the Peruvian Corporation, without any compensation to the government, the richest fertilizer, assuring it consequently the longest time for exploitation; and the representative of the company held to exactly the opposite opinion, that is, that the value of the guano ought to be calculated at the mean price of the fertilizer, beginning with the decree of 1909 mentioned, until the date of the last shipment.

In view of the absolute impossibility of reaching a direct understanding regarding this particular, it was agreed that the difference question should be submitted to arbitration for solution; and at the very moment when the revolutionary movement of July 4 last was in process of consummation, the directorate of the Peruvian Corporation was to give its decision regarding this proposal, which the government promised also to submit to the sanction of the congress.

The policy pursued by the government in relation to the administration of the Compañía Peruana de Vapores is known to the public.

Animated by the serious purpose of conciliating the permanent and higher interests of the company with

those of the stock-holders, it was necessary to overcome inevitable obstacles before a good understanding could be reached. Happily, all obstacles being overcome, the company has won a truly favorable and solid position, which permits it to face the future with confidence.

During recent times the Compañía Peruana de Vapores has distributed important dividends; it has canceled the loan of \$1,216,000, for which the government was responsible; it has taken the place of the state in the affair of the Paris loan; it has been able to accumulate resources of its own that have put it in a position to acquire two transatlantic steamers of 7,000 tons each, of the approximate value of \$3,404,800.

The government is the owner of 130,000 shares of the company.

By virtue of law 2763, due to the initiative of the executive power, there has been organized among us the institution of general warehouses designed to lend very useful and effective service to commerce by means of the application of credit to products and merchandise in bond.

By means of the summary enumeration just made may be seen how, during the four years of my last administration, the country has grown notably in her productive capacity, has capitalized enormous sums, has met all her obligations with strict punctuality and has reduced her debt by considerable amounts.

The following have been the honorable and patriotic uses made of the national revenues: to stimulate the development of public wealth; to put the national exchequer in a sound condition; and to foster power-

fully the moral and material life of the nation by the accomplishment of enterprises of supreme importance.

WAR

A theme exploited by the opposition to my government with a persistence comparable only to the baseness of the design with which it was inspired has been the contention that there existed on my part no interest in looking out for the progress of the army and for acquiring the war materials necessary to the effective defense of the rights of the nation. These gratuitous and sinister charges, which I had to regard with disdain by considering that no citizen of Perú had a right to overlook my patriotic efforts in behalf of the true perfecting of our military institution—inasmuch as the reality proves that both in my latter and my former administration I looked out zealously for the advancement, the dignity and the standing of our army—have been, in spite of their notable frequency, publicly supported by the successful revolution.

In truth, such accusations appear embodied in the manifesto which the chief of the subversive movement of Ancón in August of the previous year issued to the public, and the present usurping president, in recent discourses, in reply to the head of the general staff of the army, as he was also of the constitutional government—but who had to be removed from that position because his ability was not equal to the function that was intrusted to him—has said that he grieved from afar over the manner in which the army was treated.

This circumstance compels me to make known to the nation, in all its fullness, the governmental activities developed during the last four years in behalf of the military institution.

Imperative demands of a financial character, which it would not be just to forget at this moment, led me to reduce the effectives of the army at the beginning of my administration. Experience has demonstrated that there was wisdom in this measure and in other measures of strict economy adopted in the different branches of the public service; because without them it would not have been possible to free the country from the frightful fiscal situation to which it was being forced by the budgets liquidated with a deficit, a genuine menace to the future of the nation. On the other hand, the safety of the state, in times of marked quietude in our international relations, was perfectly safeguarded by means of an organization of a temporary character planned for the army; and the military preparation of the country did not suffer any set-back, either; for the reduction of the effectives was compensated for by the rigid application given to the newest law upon the formation of mobilizable groups composed of citizens between twenty-one and twenty-two years of age, in excess of the annual contingents obliged to receive instruction in military marksmanship.

It is necessary to make it clear, however, for the sake of truth, that the reduction of the army extended over the time that was strictly necessary only. The stringencies of the public treasury being passed, the government proposed to the congress in 1917 a

considerable increase in the number of effectives, and this proposal was carried out in 1918. In 1919, the number of our troops was again raised, and in the budget proposed for the coming year of 1920, a third increase of troops was considered.

Possessed of all these forces, it was possible to create such new units as: infantry regiment number 13; the companies of divisional machine-guns; the battalion of gendarmes of Lima number 2; and the squadron of horse of the guards of Lima.

In this respect, however, it is possible for me to go even farther. I am enabled to affirm, in spite of the malevolent criticisms of my adversaries, that the republic never had in time of peace a greater number of military effectives than it possessed during the period of the overthrown government.

As unmerited as the charge in connection with the number of men, is the accusation that has been brought against my government, of not having concerned itself with the acquisition of war material.

No one can be ignorant, certainly, that during the recent world conflict all the nations absolutely prohibited trade in articles of war, and if at times they seemed disposed to permit it, as an exception, it was with the exaction of such exorbitant prices that the government which would have acquired them in the circumstances would have incurred a very grave responsibility. Nevertheless, as soon as the armistice brought hostilities in Europe to an end it became my duty to acquire, as far as the resources of the state would permit, the most indispensable armament. Thus were bought munitions for the infantry; an

important lot of machine-guns; an equally valuable one of aviation material; considerable repairs upon the cruisers *Grau* and *Bolognesi*; and on the fourth of July a contract was about to be concluded for the acquisition of artillery munitions.

To this end, I ought to say also that, since it was impossible to acquire war materials, as is generally believed, that is, in an arbitrary and haphazard manner, but by following a harmonious, progressive and well considered plan—the only guaranty that there will be no repetition of such errors as the blunder that was made in acquiring a unit that was without any military value, like the cruiser *Eltas Aguirre*—the government had formulated two bills that were to be submitted to the next congress.

The first of them referred to the creation of special revenues to constitute the war fund; the second bill provided for the organization of a council of national defense, a body designed to control all that had to do with the armed defense of the country and which, in consequence, was to formulate the program for the acquisition of material, to authorize the contracts made to this effect, superintend the application of the sums voted, etc. The solicitous interest of the constitutional government in behalf of military instruction is revealed likewise by the contract for the services of the French mission; by the foundation of a school of aviation in charge of a competent and expert personnel to direct it; by the effort which it always showed to raise to the highest rank—to the command of the general staff—from the military regions and the different units, the leaders of greatest

repute for their professional capacity; by the regularity with which it carried out the law of military service; by the organization of garrison maneuvers, provided for some years ago, and put into effect recently in the divisions of the north, of the south and in Lima, with the calling out of the reserves; by the accomplishment of scientific journeys on the part of the academy of war; by the sending abroad of leaders of distinction to visit large countries and great armies; by the reopening of the school of marksmanship; by the fostering—unfortunately limited because of the scarcity of ammunition—of target practice throughout the republic; and by the construction of a central magazine of powder.

In like manner, my administration has given attention to the welfare of the officers and soldiers and it has introduced improvements into the hospital of San Bartolomé, which put it in a splendid condition for the treatment of the sick; and in its section of surgery, in charge of one of the most reputable surgeons of the country, has been installed all the equipment required by the demands of modern science; a magnificent property located in Trujillo has been converted into military barracks; the buildings of the barracks of Sullana, Juliaca and of the Avenida del Ejército in Lima are now in course of construction and far advanced; and properties contiguous to the present barracks of El Cercado have been acquired for the formation of a soldiers' home.

It seems to me sufficient to set forth the labors of my administration in respect of the army—a duty to

which my detractors drive me—in order to prove the injustice of the attacks of which they have made me the victim.

Men of honor who live outside the heated passions of our political strife and who, fortunately, represent the majority of the country, are those who are called upon to pronounce a favorable verdict regarding my activities in this particular; and those leaders and officials of the army and navy who took part in the ignominious campaign of the early morning of July 4 must read these lines and judge in the depths of their conscience whether their conduct can by any means be reconciled with the love which they owe to their calling, the noblest and most elevated in its purposes and therefore the most exacting in respect of the principles of honor and duty.

The gendarmerie and the police of Lima have also received especial attention on my part. Consideration of their needs has always been as punctual as that of the army, and the pay of those engaged in both branches of the service has been increased on two occasions. As to their quarters: no government has so much concerned itself as mine that they should be commodious and hygienic. There stand to-day certain other barracks, reconstructed almost completely through my exclusive action, in my latter and my former administrations, to corroborate this point, as I have said.

In other respects, all may recall the bill of the executive power, pending before the chambers and designed to remedy the precarious condition of the leaders and officers of the gendarmes by guaranteeing

to them the rights of elevation and the privilege of retirement with pension.

The personnel of the police also received from the government true incentives, which consisted in supplying the official vacancies by competitive examination and in the increase of their salaries.

INSTRUCTION

Developing my program for the stimulus of the moral and material interests of the country, I have had a lively concern, as I had in my former administration, for the progress of national education and for the construction of railways and other public works of importance, with no other restrictions than those imposed by the economic ability of the state.

One of the first undertakings that I submitted to the congress was the annulment of law number 2094 in order to restore to the central government, in all its integrity, the authority reposed in it by law number 162, and thus to assure, by means of the action of superintendents of education, the greatest efficiency in respect of primary instruction.

The failure to secure hitherto so necessary an object did not prevent, however, the Dirección General de Instrucción from stimulating, by all the means at its command, the development of popular education.

The following figures clearly reveal the work of the government in this important branch of public administration.

The number of schools that existed in 1915 was 2276.

The number of teachers upon the rolls in 1915 was 3246.

The number of pupils matriculated in 1915 was 165,724.

Well then:

The number of schools in 1919 was 2980.

The number of teachers in 1919 was 4284.

The number of pupils enrolled in 1919 was 175,320.

As to the sums devoted to the promotion of primary instruction, I ought to explain that while the budget of 1915 voted the sum of \$1,109,753.05, the budget for 1919 includes the sum of \$1,715,738.68; and in the bill for 1920, the sum of \$1,945,600 was under consideration.

These figures indicate that during the last four years, 404 schools have been established, and the item for primary instruction has been almost doubled.

The schools have been supplied with the necessary equipment, and the Sociedad Geográfica has prepared, at the request of the government, a map of Perú, appropriate for instruction in national geography.

The condition of the teachers has also been contemplated with solicitous interest, and their salaries have been raised in the proportion permitted by the resources of the state.

The construction of school buildings has not been accomplished with the amplitude achieved during my former administration. Nevertheless, a school center that combines all the conditions required by pedagogy and hygiene has been constructed in Lima, and a number of schools have been repaired.

I had thought that a better organization of the land tax would considerably increase the departmental

revenues, thus placing the offices that administered them in a position to contribute effectively to the development of the different regions of the territory, and enabling the state, to which belong thirty per cent. of these revenues, to devote a greater part of what was obtained to the construction of local school centers. To this end the respective bill was opportunely submitted to the chambers, and it still awaits the sanction of the congress.

As to secondary instruction, the government, appreciating the importance that the formation of orderly and industrious habits in the mind of the young has upon the future of the country, has devoted itself scrupulously to the maintenance of discipline in educational institutions.

The enrolment that reached 4,918 pupils in 1915 has increased to 6,486 in the present year.

The incomes of the colleges have been considerably augmented.

In 1915, they reached a total of \$353,364.73; in 1919, that of \$482,436.36.

Some new establishments for education have been founded: the Colegio Pardo, in Chincha; a school for girls, in Chiclayo; a manual training school, in the same city; and another similar school, in Iquitos.

Upon the initiative of the government and of law 2510, the duration of secondary instruction has been extended to five years, and this extension permits, by means of the greater distribution of the courses, a greater thoroughness in the study of the history and geography of Perú, in conformity with ideas that it fell to my lot to present to those in charge of the

department while I was president of the Universidad de San Marcos.

To a better teaching of these courses of a national character is to be attributed also the formation of the geographical atlas of Perú, intrusted by the government to the Sociedad Geográfica, and which was an undertaking carried out for the first time among us.

The normal schools for men and for women have furnished a considerable number of teachers, who at present are exercising their teaching function in the service of the people.

The foundation of the Escuela Nacional de Bellas Artes, established in adequate quarters of its own, and the organization of the Archivo Nacional, accomplished also in this period, crown the work of higher culture which I had the good fortune to inaugurate in my former administration, with the creation of the Museo Nacional, the Academia Nacional de Música and the Instituto Histórico.

JUSTICE

During the last four years, there has been a considerable advance in the betterment of our present system, through the construction of new penal institutions.

The government being authorized by law number 2404 to utilize convict labor outside the prisons proceeded to establish the penal colony of Frontón, which has the capacity to lodge two hundred convicts, who are engaged in cutting blocks for the paving of Callao.

The establishment constructed has the use of buildings appropriate to its character, with equipment of electric light, wireless telegraphy, a dock, a tug, and tank and freight launches.

The sum expended on the construction of this colony exceeds \$48,640.

An aspect of criminality that always demanded the special attention of the government, because of the serious possibilities it involved for the future of society, was that which related to juvenile offenses. For the purpose of correcting it in the effective manner counseled by modern penal science, there has been erected a magnificent establishment with the farm of El Cercado as a base and the expropriation of the scriptory rights of Orduna and Munay, where youthful inmates may devote themselves, in an environment relatively pure, from the twofold physical and normal point of view, to the education of their sentiments and the development of their energies applied to the cultivation of the soil.

The construction of the principal edifice of this important enterprise is already completed, and the work of constructing the pavilions designed for the auxiliary services of laundry, bakery, blacksmithshop, stables, etc., is in progress. This new plant is supplied with its own equipment of electric light, water, drainage, etc.

Up to July 4, there had been spent upon the works of the correctional school \$178, 478.49.

In the Panóptico, there has recently been constructed a third story, with 104 cells, in which are now lodged

an equal number of convicts, who likewise had served their sentence in the public prison.

This establishment has called for an expenditure of \$37,037.41.

The work upon the prison of Lima, begun during my first administration, has also been resumed, the direction of it being placed in the hands of a special commission. It was the purpose of the government to furnish the necessary means to enable this establishment, by the end of the year, to be in a position to lodge, with due security, a hundred prisoners, who would then be able to continue the work upon the edifice on economical terms to the state.

Such is, in outline, the contribution made by the government over which I presided to the work of social defense.

FOMENTO

The action of the administration during the years of 1916 and 1917 being concentrated upon the reorganization of the public treasury, nothing important could be done then with regard to the construction of ways of communication. As soon, however, as the state of the fiscal revenues would permit, it was my pleasure to continue the work of national highways begun in my former administration, with the construction of the railways from Oroya to Huancayo, Sicuani to Cuzco, Yonán to Chilete, Ilo to Moquegua, Puerto Pizarro to Tumbes, and the beginning of the first section of the railway from Huancayo to Ayacucho, all of them being enterprises that were paralyzed from the time when I left office in 1908.

The congress, in close harmony with the government in the endeavor to stimulate the material development of the country, enacted, under date of November 3, 1916, law number 2323, upon highways, and on March 13, 1918, law number 2769, upon the construction of railways.

As the executive power deemed the expenditure of the limited funds in hand upon the simultaneous construction of different lines to be a very serious obstacle to the efficiency of the policy that the congress and the government prepared to develop in respect of the construction of railways, and as the law enacted, suffered from a certain confusion and from vagueness as to the revenues which it assigned for this purpose, I necessarily observed the fact—a circumstance that had the effect of recalling the provisions contained in the law of March 31, 1904, which applies to the construction of railways the net product of the tobacco revenue and which caused the promulgation of law number 2886, designed to assure the fact of its application to a work of so much importance for the republic.

The manifest importance of this law, the rigid terms of which faithfully correspond to the most pressing public desire, impels me to reproduce its text below:

The president of the republic. Inasmuch as the congress has enacted the following law:

Article I. In the execution of the railway works ordered to be studied and constructed, according to the existing laws, there is to be utilized the net product of the tobacco monopoly, after deducting:

First, the expense of manufacture and distribution; second, the interest and amortization of the capital, which the company

that administers it has invested in order to contract with the state for such administration, and to take it over from the Compañía Recaudadora de Impuestos; and, third, the interest and the amortization of the bonds that may be issued according to the following article:

Article II. The executive power will authorize the company that is formed for the administration of the tobacco monopoly to issue bonds with the guaranty of the latter, which shall be called "bonds of the tobacco revenue," which shall pay up to seven per cent. per annum, and one per cent. for amortization, and which shall be exempt from all taxes upon income created or to be created.

Article III. The product of the revenue derived from such bonds will be applied, in the first place, to the payment of the capital mentioned in the first section of article I of this law, and, then, to the construction of railway works.

Article IV. Beginning with the first fortnight of the month of January, 1919, and in the successive years, and until the construction of the railways shall be concluded, and all the obligations and guaranties which the state shall contract in constructing them shall be canceled, with the mortgage of the tobacco revenue, the company that administers shall deposit in the Caja de Depósitos y Consignaciones, the fifteenth and the last day of each month, the net product of the monopoly, which shall belong to the state; after making the deductions mentioned in article I, as also the amount of the sale of bonds that may have been issued for the construction of railways, in compliance with articles II and III. The Caja de Depósitos y Consignaciones will, on its part, withdraw, every fortnight, upon its own responsibility, the percentage of the net product which shall be determined by laws number 1969, 1982 and 2111, for the amortization of the loan made by the banks to the government. This amount being deducted, the Caja de Depósitos y Consignaciones will not make any payment whatsoever to be charged against these funds, except for works, materials, salaries, wages, expropriations and indemnities for the construction of railways, and upon orders for payment which may be drawn for this purpose by the Dirección

del Tesoro ought to appear the name of the railway to which they are to be applied, as well as the indicated details.

Article V. The sum set apart by this law for the construction of railways may not be devoted to any other object different from the one established in it. The assignment of sums set apart for this object in the general budget of the republic shall be kept inviolate, and they may not be applied to any other item under the responsibility of the minister who may authorize it or of the functionaries of the branch that participates in the operation; this being a responsibility that will become effective according to the constitution and the laws.

The responsibility treated of in this article shall become effective by popular action before the supreme court, which will apply to violations of the law the punishments corresponding to the crime of malversation of public funds.

Article VI. The executive power shall be authorized to take all the necessary measures for the formation of the company that shall be charged with the administration of the tobacco monopoly, in conformity with the provisions of the law.

Let it be communicated to the executive power in order that he may take the necessary steps for its accomplishment.

Given in the hall of sessions of the congress in Lima, this twenty-third day of the month of November, 1918.

ANTONIO MIRÓ QUESADA, JUAN PARDO,
President of the senate. *President of the chamber of deputies.*

F. R. LANATTA, LUIS A. CARRILLO,
Secretary of the senate. *Secretary of the chamber of deputies.*

To the señor president of the republic:

Therefore: I order printed, published and circulated and that it be given due compliance.

Issued at the government house, this twenty-ninth day of the month of November, 1918.

JOSÉ PARDO.

VÍCTOR M. MAÚRTUA.

The government has definitely fulfilled the above mentioned requirements, separating month by month the product of the tobacco revenue and delivering the amount of it to the Caja de Depósitos y Consignaciones, for exclusive application to the work upon railways. It has caused to be published monthly and with all scrupulosity a statement of the sums expended for this purpose.

Beginning with the first of January of the current year and up to June 30, there had been placed in the Caja de Depósitos y Consignaciones the sum of \$612,274.37, there remaining to be delivered on July 4 a balance for the liquidation of the quota of the second three months that was to have been effected by the Compañía Recaudadora de Impuestos. Since, according to the balance of this company that corresponded to the sum of the second three months of the present year, the greatest product of the tobacco monopoly exceeded \$291,771.23, when the deduction was made and the commission for collection had been calculated, as also the interests which, according to the instructions of the government, were to be reserved at the rate of seven per cent. upon the sum of \$3,891,200.00—the probable capital of the new Compañía Administradora to be established, etc.—it may be affirmed, without fear of falling into error, that the sum of this balance could not have been in any case less than the amount of \$145,920.00. It is to be hoped, consequently, that at this date that balance of \$145,920.00 is now reposing in the Caja de Depósitos y Consignaciones.

It is to be trusted that the dictatorship will respect the decision of the congress contained in law 2886, from the compliance with which much is expected by the people of the republic, taught by sad experience of what has occurred since my first administration, terminated in September, 1908. If the farsightedness of the legislators had been manifested in the same way as is revealed by this most recent law so often cited, there would have been invested in the construction of railway communications, from January 1, 1909, until December 31, 1918, the considerable sum of \$15,017,777.77, and it would not have been necessary to await my return to power in order to see again the realization of their desires in respect of the construction of railways.

Indeed, responding, I repeat, to the unanimous demand of public opinion, which is perfectly aware of the enormous influence that railways have in the solution of our great national problems of a political, economic and military character, my government devoted the greatest possible effort to their construction.

The work upon the line from Huancayo to Ayacucho which, as I have said before, was suspended suddenly at kilometer number 12 in the year 1909, has been renewed, and at present some six hundred hands are at work between La Mejorada and Huancayo. Eleven hundred tons of rails, 25,000 cross-ties and a locomotive and cars for the moving of materials have been acquired for this work. If construction is not again interrupted, the line can be carried to La Mejorada by July 28 of the next year of 1920. The expenditures

that had been made up to June 15 last exceeded the sum of \$206,956.58.

The prolongation of the railway from Chimbote to Recuay has been begun with great enthusiasm. The extension from kilometer 104 to Recuay is 162 kilometers long, so that from this important mining and agricultural center to the port of Chimbote there will be a distance of only 266 kilometers. When the line reaches Recuay, approaching the coast at the rich and beautiful Callejón de Huaylas, the country will have solved in an unimprovable manner the problem of her supply of domestic wheat.

The extension from kilometer 104 to Chorro and to the unavoidable pass of the Cañón del Pato—which is the part of the enterprise that involves the greatest difficulties in its construction—is 30 kilometers long, which being finished, the railway will enter the valley along an exceptionally easy route.

Upon the initiative of the engineer, señor Héctor Escardó, minister of the departments of Fomento and Hacienda during the last administration, the congress authorized the construction of the railway from Chuquicara to Cajabamba, designed to benefit considerably the provinces of Pallasca, Santiago de Chuco, Pataz, Otuzco, Huamachuco and Cajabamba, whose abundant mineral and agricultural riches will in a short time offer a great stimulus to its development. The contract has already been made for the construction of the first section of this branch of 18 kilometers, which, because it terminates in the carboniferous basin of Ancos, gives ground for the assurance of the early exploitation of the minerals which it possesses.

For the line of Chimbote, 24 kilometers of rails and 40,000 cross-ties have been secured, a total expenditure of \$477,475.35 having been made on account of it up to June 15 last.

The railway from Cuzco to Santa Ana continues to be constructed with all activity, from a desire soon to extend the line as far as Pachar, on the Urubamba river, a distance of 62 kilometers.

For this line, whose total length is 170 kilometers, 1,050 tons of rails and 40,000 cross-ties have been acquired. The expenditure upon it made from August 15, 1915, until June 15 of the present year, exceeded the sum of \$458,089.93.

The railway of Lurín, to the construction of which my government contributed with great interest, has been completed, with a total length of 45 kilometers.

The last administration has applied to this undertaking the sum of \$451,966.67.

The railway from Vitor to Sotillo, an extent of 12 kilometers, was acquired by the government at public auction, and there had been spent upon this public work, up to June 15, the sum of \$61,634.24. The extension of the line to the river Vitor has been intrusted to the Peruvian Corporation.

The construction of the railway from Ninacaca to Pachitea, an undertaking of extraordinary importance, which will permit the exploitation of the immense wealth stored up in our mountain regions, is being pushed with the greatest effort, and the state had invested in it, up to June 15 last, the sum of \$37,905.06.

In compliance with law 2323 the following highways are being constructed at the present time:

From Magdalena to Cajamarca, a distance of 60.25 kilometers, of which 23 kilometers have been completed, with an expenditure of \$80,116.16.

From Tarma to La Oroya, a distance of 45.762 kilometers, of which 36.762 have been finished, with an outlay of \$63,30.38.

From La Mejorada to Huancavelica, a distance of 61.572 kilometers, of which 8 have already been completed, at an expenditure of \$8,747.06. There has also been constructed along with this work a serviceable pathway of 45.927 kilometers, at a cost of \$15,435.90.

From Cerro to Huánuco, a distance of 99.300 kilometers, of which 4.447 have been completed, at an outlay of \$16,100.28.

From Abancay to Izcuchaca, a station on the railway from Cuzco to Santa Ana, a distance of 203 kilometers, of which the commission charged with carrying out this important work has constructed 60 kilometers, at an expense of \$270,915.07.

By a vote of June 27 just past, it was decided that the branch from Izcuchaca, on the railway to Santa Ana, should be extended 28 kilometers to Abra de Huilque, thus considerably shortening the distance of the highway between Abancay and Cuzco. The entirely level territory permits the construction of this branch at a very low cost.

Apart from all these public works, intimately associated with the future of the nation, the government has also undertaken building enterprises of another character and of less importance, but urgently needed for the dignity and reputation of the higher authori-

ties of the state, for the hygiene, adornment and culture of the capital, for the progress of her baths and for the development of the port of Callao, the first of the republic.

I limit myself to making up a list of the principal of them:

- The completion of the building of the Palacio Legislativo.
- The building for the Ministerio de Gobierno, the prefecture and police offices.
- The archbishop's palace.
- The expropriation of the grounds for the new Palacio de Justicia.
- The prolongation of the Avenida Piérola.
- The Parque Universitario.
- The Escuela Normal de Varones.
- The Avenida del Ejército.
- The Avenida Pardo.
- The Avenida Miramar.
- The Avenida Bellavista.
- The Malecón and Terrazas de la Magdalena.
- The Avenida Santa Beatriz.
- The Malecón de la Reserva.
- The Parque de Miraflores.
- The Plaza Olaya in Chorrillos.
- The completion of the road to Herradura.
- The Malecón de la Punta.
- Economic aid to the municipal councils of Chorrillos, Barranco and Miraflores for the completion of works of local importance.
- The construction of new offices for the coast guard, the reconstruction of the Muelle de Fleteros and the beginning of the first section of the paving of Callao.
- In the department for the safeguarding of navigation, a contract has been made for the construction of a lighthouse for Punta de Coles; the material for the channel light of La Punta; and the luminous buoys of Camotal.

It has been the constant desire of the government to foster the cultivation of wheat and the exploitation of our carboniferous ledges.

Those in charge of the department have distributed plows and seed among the farmers who have asked for them, trying to place them in circumstances that would supply the towns in the neighborhood of the productive valleys. As has just been said, a supply of domestic wheat along the entire coast of Perú can easily be obtained as soon as the railway from Chimbote to Recuay, now in process of construction, shall reach the Cellegón de Huaylas.

With a view to facilitating the exploitation of the principal coal deposits of the country, official action has been applied in an equally advantageous manner.

In the first place, law number 2966 was enacted. This authorizes the construction, with state funds, of the railway to Jatunhuasi, an enterprise which the government has not carried to a conclusion because it possessed information that justified it in believing that this line was going to be constructed with private funds and in behalf of certain mining interests.

A contract has also been made with a syndicate of Huayday for the construction of the roadway that will unite this center with the railway of Malabrigo.

Finally, with the extension of the branch from Chuquicara to Cajabamba, to which I have already referred, the rich basin of Ancos will be opened up for exploitation.

The degree of prosperity attained by the agricultural and mining industries, which constitute the prime source of national labor and wealth, may be seen by

reference to the following details, which show the volume of production in the years of 1915 and 1918:

AGRICULTURAL PRODUCTS

	1915 Tons	1918 Tons
Sugar	257,677	295,000
Cotton	24,603	
Rice	35,500	38,000
Rubber	2,310	

MINERAL PRODUCTION

	1915	1918
Gold kilograms	1,690	1,793
Silver kilograms	294,425	304,253
Copper tons	34,727	44,414
Lead tons	2,696	632
Zinc tons	19	
Coal tons	290,000	346,226
Petroleum : tons	343,838	335,002
Borates tons	510	523
Salt tons	25,729	26,663
Mineral waters liters		128,333

The total value of mineral products was:

In 1915	\$28,842,766.08
In 1918	40,472,605.44

The number of mineral properties leased in 1915 was 68,382; this figure rose to 71,193 during the first six months of 1919.

The creation of departments of agriculture, water and statistics, as well as the enactment of the law upon agrarian mortgages, and the initiative of the government in the promotion of the system of rural banks, are thorough manifestations of the interest I have taken in the development of the public wealth.

The postal and telegraph services have also undergone notable development during the last four years:

The income of the post office department during the first six months of the year 1915 reached . . . \$255,884.08
It reached during the first six months of the present year . . . 434,933.85

The returns of the department of telegraphs have also increased in an equal proportion.

A hundred and eighty-eight new post offices and thirty-eight telegraph stations have been established, and the telegraph system, which had in 1915 an extent of . . . kilometers 12,635,050
Reached, on June 30 last . . . kilometers 14,087,200

A contract has been made for the installation of a direct telephone service in Lima and of long distance service in the region from Chiclayo to Ica.

Finally, many modern telegraphic apparatus have been acquired, and they will serve to meet the deficiencies that are to be observed in this service because of the considerable increase in messages.

The radiographic service has been much extended during recent years, thanks to the installation of the new stations of Cachendo—which has the same power as that of San Cristóbal—Salaverry and Eten. The erection of the new tower at Piura was decreed, and in a short time it ought to be placed in position, this kind of service being thus completed along the whole extent of our coast. The outlay incurred in the new installations exceeds the sum of \$91,443.20.

PUBLIC HEALTH

The activity of the administration for the protection of public health has been incessant. It has centered

its attention upon the struggle against the bubonic plague and smallpox, diseases that periodically decimate our population.

During the last four years, vaccination has been practiced throughout the whole country.

Thanks to the zeal and competence of the national medical body, bubonic plague serum is now manufactured among us.

In order to fight malaria, the services of an American professional specialist have been engaged.

Likewise a contract has been made with a noted bacteriologist who served in the army of the United States, and who will be in charge of the organization of the new Instituto Bacteriológico which is to be constructed upon land along the Avenida Grau that was formerly intended for a military hospital.

The construction of the sanitary station on the island of San Lorenzo is almost completed.

For the protection of friendless children, there have been founded in the capital two dispensaries, which bear the name of "Gota de Leche,"⁶ and there has been established in the Higicomio of Chosica, a sanatorium to serve as a temporary housing for the frail children of the public schools who need the benefit of a change of climate to build up their organisms. As was to be expected, these new enterprises have produced excellent results.

⁶ "Drop of milk," a name given in Perú and Chile to certain establishments—usually the result of private beneficence—where milk is dispensed to infants whose mothers are too poor to buy it, and where children are washed, treated and cared for, and mothers are given instruction in the rearing and nourishment of children.

With a view to meeting properly the manifold demands of the insalubrity of the country, the executive power opportunely submitted to the chambers two important bills relative to the organization of public health and the creation of the special revenues necessary for supplying water service and drainage to the population and for meeting the other demands of social prophylaxis.

The accomplished results and the beginnings that I have indicated are sufficient to make clear the views entertained by the government as to its function in respect of sanitary enterprises, which are truly indispensable for safeguarding the dearest interests of the people at present and in the future.

SOCIAL LAWS

Foreseeing the conflicts that would spring from the social problem and which to-day are engaging the whole of humanity; taking my stand upon the sound principle of justice toward and protection of the working classes; and desiring to introduce into our constructive legislation the general principles that to-day govern juridical relations between employers and laborers, I submitted to the national congress, during my former administration, under date of October 4, 1915, bills relative to the health and security of working men; to the labor of women and children; to obligatory rest; to the number of hours of labor; to indemnity for accident; to labor contracts; to apprenticeship contracts; to the formation of industrial and labor associations; to conciliation and

arbitration; and to the constitution of the national board of labor.

Of these bills, the following have become laws: the bill that fixes the obligation of the employer to indemnify the laborer who may be the victim of an accident while at work; the one that regulates the labor of women and children; and the one that makes provision for compulsory Sunday rest.

The hours of labor, which there is an effort to limit everywhere, for the double purpose of preventing the physical exhaustion of the laborer and of guaranteeing him hours of rest which he may apply advantageously to the cultivation of his mind, have also been reduced in the country, in accord with the most advanced principles of social legislation. Indeed, by a decree of the supreme court of January 15 of the present year, it was enacted that among us a working day of eight hours should be established, the laborers of Perú thus achieving a victory for which many peoples of the earth are still anxiously striving. The decree to which I refer is the following:

The president of the republic, realizing:

1. That no agreement has been reached between certain industrial establishments and their employees regarding the duration of the hours of labor and the changes sought in the present wages;

2. And that it is the duty of the state, in its own establishments and in the public works that it constructs, to fix more compatible conditions between the interests of the state and those of its operatives; decrees that:

Article I. In the workshops of the state, on its railways, in agricultural and industrial establishments and on public works constructed by the government, the time of daily labor shall be fixed at eight hours, the amount of present salaries being maintained.

Article II. In factories, railways, industrial, agricultural and mining establishments of all companies and private individuals, the length of the duration of daily work shall be fixed by mutual consent between the proprietors, industrials and administrators, and the laborers.

In want of an agreement and while the congress is legislating upon the particular, the time of the duration of labor shall be subject to the rule of eight hours, the present salaries being maintained at the same rate.

Article III. Differences that may arise between the parties, whether caused by the increase asked in wages or whether caused by the new rates that will have to be fixed in order to maintain their amount, will be determined by arbitrators when those who are interested do not reach any direct solution. The arbitrators shall be designated one for each party, and the adjuster shall be appointed by the president of the Corte Suprema de Justicia. The point in dispute must be settled within a maximum period of one week.

Issued in Lima, at the government house, this fifteenth day of the month of January, 1919.

JOSÉ PARDO.

M. A. VINELLI.

I ought to recall with satisfaction that the former decree of my government was issued on account of a general strike that occurred in Lima, which was distinguished by the order preserved during it by the laborers and by the respect which they showed at every instant for the authorities.

The natural consequence of so correct an attitude—which permitted events to develop tranquilly, without the effusion of a single drop of blood—was the recognition on the part of the public authorities of the justice of the claims presented and the consent of the employers to accept them.

It is not possible, unfortunately, to make a similar statement in respect of the shut-down that took place last May, and which, in contrast with the former, was characterized by the use which its organizers made of violence in the most extreme forms, to such an extent that the public authorities were compelled to interfere, as the only means of preventing the accomplishment of outrageous assaults upon private property.

Because of these reprehensible acts, which the whole country was forced to condemn without reserve—and which it would not be just to impute to the people of Lima and Callao, but to the pernicious action of certain agitators—there occurred certain personal injuries which the government sincerely deplored, but the responsibility for which may not by any means be attributed to it, inasmuch as the attitude of the authorities was maintained within the strict limits marked out for it by its most elementary duties in respect of the legitimate defense and protection of the social institutions.

Since the activities of the last administration were developed at the same time that the European war was unfolding, and since there were springing up everywhere, as the immediate effects of the deficiency in production and the scarcity of transportation, difficulty in provisioning the population and unlimited advance in prices, it has had to face the different phenomena that sprang from the localization in Perú of this great world crisis of subsistence.

Happily, the measures adopted by the constitutional government had such efficiency that the country has

not at any time been without the necessary supplies for her own consumption, and even certain articles, such as wheat and other necessities of life, have been recently imported in a greater proportion than they were before the beginning of the war.

As to the prices of articles of prime necessity, the proceeding carried into effect, and which consists in the direct sale of them by the state, has produced beneficial results. Indeed, in the sixty odd distributing points established by the Compañía Salinera in behalf of the government, in Lima, Callao and other parts of the country, sugar, rice, cereals, charcoal, etc., have been sold with a saving for the consumer that may be calculated at forty per cent., as compared with the prices charged by the private dealers, and at a sum exceeding several million *soles*.

During the last six months only, the sales made by the Compañía Salinera amounted to the sum of \$924,160.

The system applied by the administration over which I presided to reduce the cost of living—which is the same as that employed to-day in the United States and the greatest nations of Europe—possessed, besides the advantages involved in the suppression of the middleman, the indisputable benefit of affecting, by means of competition, the general scale of prices, thus reducing them perceptibly throughout the whole range of the market.

So, without attacking the sources of national production by radical and destructive measures, but by seeking the coöperation of the industrials, by restricting or prohibiting their exports according to the

demands of consumption; in short, by exercising a just and discreet economic policy, it has been possible to render the provisioning of the country almost normal, and to prevent food, housing and clothing from reaching in Lima the high prices which they have attained in the greater number of South American capitals.

The working classes have also found a true compensation for the high cost of living in the rise in wages and salaries, which has been very observable in Perú during recent times.

It may be said that the economic crisis regarding which I occupied myself has been felt and is still felt among us chiefly by the middle class, from whose ranks come the employees who are great aids in the commercial, industrial and administrative movements of the country. However, in that which relates to the latter, the government has contributed to relieving their difficult situation by paying each month a percentage of their back salaries, reduced during the war, and which have been almost wholly made up to them to the value of more than \$1,264,640, and by including in the projected budget for 1920, which was already formulated on July 4, a total item that would permit the introduction in their incomes of certain just modifications in accord with the importance and responsibility of the labors with which they are charged.

THE REVOLUTION

While I was engaged in the preparation of the annual message which I was to present to the congress on the twenty-eighth of last July; that is, of this

statement, a résumé of the acts of my second term of administration; and in arranging for the early completion of certain public works of importance, I was surprised by the early morning of July 4, during which the officers of the palace guard, intrusted with its custody, threw wide open the doors for the free access of the rebellious soldiery who, under the orders of military leaders of high rank, made me a prisoner, to shut me within the walls of the Panóptico. At the same time that these events were occurring, other forces of the army and the navy rebelled against constitutional order and took to the government palace señor Augusto B. Leguía, to invest him with the title of provisional president of the republic, with which he to-day exercises dictatorship, after having dissolved the national congress.

The grounds of this odious attack have been set forth in a different manner by the dictator and his ministers in recent documents.

According to señor Leguía, as was said in his telegraphic circular of July 4, the democracy has overthrown the most ignominious tyranny that Perú has ever had.

According to the minister of foreign relations—the celebrated chancellor, to whose sad policy are attributed the great territorial mutilations suffered by the republic for the advantage of Brazil and Bolivia in 1909:

the people of Perú have not been able to resign themselves to having the popular vote unrecognized and to consenting to the dictatorial acts practised recently by the administration that has just terminated.

This was affirmed with inconceivable audacity in a circular addressed to the honorable diplomatic corps resident in Lima, with the deliberate intention of misleading the minds of its distinguished members—a vain and childish design, inasmuch as they, being accredited to the capital of Perú and not to Peking, are very well acquainted with the cultivated and patriotic policy of the recent government.

According to the minister of justice:

the desire of the nation has imposed the obedience that is due her, thus safeguarding herself from a governmental plan which was already in operation for ignoring her, as was of common knowledge.

Here it is no longer in the presence of foreign diplomats, but of the magistrates who constitute the supreme court of the country, who live more in contact with our political life, who have been taking part in the electoral processes and who have also been observing the frauds committed by the partisans of señor Leguía, with whom an effort is being made to adulterate the truth.

Last of all, according to the minister of government of the dictatorship, the *coup d'état* of July 4 was not a pretorian assault, but a national movement inspired by a noble aspiration to accomplish constitutional reforms that would establish in Perú a real democracy. This he says textually in the first consideration of his decree entitled *Reformas constitucionales*.

As may be seen, falsehoods are once more the only reasons of usurpers in Perú.

To have suppressed a newspaper only when it put itself at the service of the enemies of social order, after

having supported them for three years and a half, during which it systematically carried on its attacks upon my person, having recourse to all the insults and calumnies imaginable, and after having appealed to a legal process foreseen and provided for in article IV of the law of habeas corpus, when the supreme court ordered the opening of the printing house of *El Tiempo*, are acts that converted my government into an "ignominious tyranny," in the words of the dictator and his ministers.

If, however, this be, according to such scrupulous citizens, the qualificative merited by my efforts in defense of threatened society, what will they call the great crimes, the greatest that can be committed in the political life of a people, and of which they have been guilty since the early morning of July 4?

What name must they give to the enterprise to which they were devoted, through whole months, of inducing leaders and officers and soldiers to commit the crime of treason, by misleading their judgment with false affirmations and by covering up the true motives of the revolutionary movement?

How are they to qualify their pertinacious campaign whose success placed the national army and navy in the most shameful, contradictory and unqualifiable of situations by dragging down, on February 4, 1914, the president who, by the insinuations of a wretched and immoral politician, was going to attack the majesty of the congress, and by overthrowing on July 4, 1919, their constitutional president, in order to set up a dictator who, by the suggestions of the same

politician, carries forward and consummates the assault? Probably they will exhibit their conduct as a manifestation of the profound regard which they feel for the military institution, so profound that they did not desist from their efforts until they made it play the part which, without doubt, they will deem the most honorable and worthy of the glorious traditions of the army and navy of Perú.

To dissolve the congress; destroy printing establishments; alter the character of the form of government; provoke plebescites in accord with methods that have been practised by tyrannical imperialisms; assault and sack domiciles, without holding the known perpetrators accountable; order trials stopped; and wrest from the supreme court the functions with which the law intrusts it: all this that the nation contemplates filled with stupor—how will it be christened by the men of the military régime? Will they perhaps find in the lexicon words that will faithfully express the meaning of such actions?

It is regrettable that the minister of justice has not made known to the public the details of the governmental plan to which reference is made. I, for my part, can say with the firmness of a conscience strictly in harmony with the truth and with all the authority that belongs to one who has never deceived his country, that such a plan has not existed even for an instant, and that, consequently, it could not have been on foot or within the scope of public knowledge. I summon the members of the dictatorship, who have to-day a magnificent opportunity to put me to con-

fusion with their proofs, to deny my categorical declarations.

The only modification of the existing order that I permitted myself to submit to the congress was that of setting forward the date of inauguration to the second or fourth of the present month of August, for the purpose—unquestionably quite proper—of enabling the new administration to begin its labors simultaneously with the ordinary legislative session, as happened in a former period. This was, I repeat, the only plan that I had conceived, and it is quite different, without a doubt, from the one attributed to me by my political adversaries, as also it is radically different from the one worked out by the president of 1912 in order to remain in power.

The truth is, however, that the revolutionary conspiracy existed long before the first electoral vote began. This of which I speak is better known to the present minister of justice than it is to me.

What plan of government could have been traced out when the subversive movement of Ancón started on August 22, 1918, and throughout the time that elapsed afterward, during which each of the members of the constitutional and Leguista committees has been an active element of propaganda against the reputation of the government and an agent of corruption with the leaders, officers and men of the army and navy?

The governmental plan imagined by the enemies of justice is nothing therefore but another affirmation, wholly void of truth, and intended to deceive those

who wish to be deceived in order to obtain rewards and elevations in recompense for their treason.

The government, in the matter of electoral politics, had marked out for itself a truly inflexible line of conduct. The idea of a convention of the parties—which it favored with the greatest loftiness and patriotism, because it was convinced that this method of harmonizing interests would have strengthened, and added prestige to, the nation abroad, in these exceptional times of international life, and would have assured the triumph of the true collective aspirations in its internal régime—being discarded, it resolved to develop its action upon the principles of the most absolute rectitude by giving ample guaranties to all the candidates. I was not only compelled to follow this policy through loyalty to my duties as a ruler, but also as an especial consequence of the distinguished personages who formed the cabinets presided over by Doctor Germán Arenas and General Zuloaga, who did me the honor to serve with me in the labors of the administration under the conviction that there would exist the most complete electoral freedom; and, more singularly still, through consideration for Doctors Federico Panizo and Augusto Arrese, who afterward entered the ministry under the express condition that the government should respect the popular will, whatever the direction it might take.

This means therefore that the efforts of the executive in respect of the electoral process did not correspond merely to a political direction freely taken, but also to an engagement of honor existing between the president of the republic and his counselors; and, in view

of this condition of affairs, señor Leguía reached Perú, entered Lima and received all kinds of public manifestations from his friends, without encountering the mobs that are now sacking the homes of his political adversaries and sowing terror everywhere in order to impose silence.

The preliminary steps of the election being taken without the least show of coercion on the part of the authorities, the meetings of the greatest contributors could be held freely throughout the republic. In some of them, as in Lima and Callao, the lists made up by señor Leguía triumphed; in others, were organized dual committees in opposition to those formed by the supporters of señor Aspíllaga; and in others, finally, the upholders of the candidate of the civil party were victorious. It is worthy of note that if there was bloodshed on account of the meeting of these assemblies in certain parts of the country, this was due, almost always, to the provocative and violent action of the candidates affiliated with the constitutional party that supported señor Leguía, and who, obeying doubtless a definite plan, exerted themselves that there should not fail to be such. In Chota, in Otuzco and in Pataz, the unfortunate subprefects and gendarmes who, complying with instructions of the government, tried to maintain order, were vilely assassinated by bands of the political organization sarcastically termed "constitutional."

To this attitude of the public authorities, of positive respect for electoral freedom, señor Leguía replied by maintaining in his newspapers the most violent campaign of infamy and calumny against the govern-

ment. Without doubt it was an effort to form what Doctor Cornejo calls "the revolutionary environment."

It is unnecessary, however, for me to enter into further considerations. The public conscience is now formed; the country knows that I invoked the patriotism of the party leaders in order that a convention might be held, subject to the rules that they themselves might desire to establish, and that this disinterested and sincere purpose failed in the face of group selfishness and personal ambitions; that I guaranteed the freedom of election in so absolute a form—as must be loyally recognized and proclaimed by any of the least impassioned of the opposition itself—that señor Leguía was enabled boldly to stuff the ballot in many parts of the republic by means of the most barefaced fraud; and even in Lima, with the manifest complicity of the committee on suffrage, and before the astonished gaze of the whole city, it was possible for him, by appealing to the same means, to offer many reports of contested cases at variance with the truth; that, in short, I developed a policy that was for the country a promise of peace and a revelation that there existed on my part no crooked design of foisting a successor.

When the electoral campaign, properly speaking, was concluded, there remained, pending merely the qualification of those elected, a function that, according to the law, fell to the lot of the supreme court, whose decisions must determine inevitably the judgment and resolution of the congress, inasmuch as they were based upon organisms that had served both for the congressional and the presidential elections.

It would not be admissible to suppose that the chambers would validate votes declared void by the court, nor that they would have dared to consider as valueless votes that had received the approval of the court.

This means, consequently, that the qualification of the presidential elections was, strictly speaking, intrusted to the republic's highest tribunal of justice, which, in pronouncing its opinion upon the cases brought to its cognizance by the candidates for senatorships and deputyships, was weeding out the lists presented by señores Leguía and Aspíllaga.

Thus, up to July 3, there had been presented to the supreme court thirty-five pleas for voidance, and seven cases had been decided, two that dealt with the political friends of señor Leguía and three that favored the partisans of señor Aspíllaga being approved and two wholly annulled. That is, up to the eve of the revolutionary movement, señor Leguía had lost by the decision of the supreme court, whose probity and rectitude the whole country has recognized, 14,546 votes.

The solution of the presidential electoral problem ought then to have defined itself with absolute clearness. As in the elections of May, there had been some scattering votes, and as the court was considerably reducing the number of votes for the opposing candidates, the congress was going to come face to face with the case provided for in article 82 of the national constitution, thus having to choose between señores Leguía and Aspíllaga as president, since they were the ones who had received the highest number of

votes, without either of them obtaining an absolute majority.

I did not have a majority of my own in the congress in order to carry out any plan. However, as I had pursued a policy of absolute loyalty toward the parties that had elevated me to the presidency, and, above all, as my efforts were in harmony with manifest national interests, according to the formulas of sound sense and effectiveness, it was not difficult for me to count upon the support of the liberal party, upon that of independent groups in the chambers, upon the votes of the old constitutional and democratic representatives and upon the loyalty of the civil party, all these being elements that constituted a considerable majority, which for the last four years has directed the affairs of state with the wisdom and patriotism that the nation must recognize.

I had this majority, as it is possessed by all parliamentary governments—whose success depends upon the action of political forces and not upon the imposition of dictatorial wills—because my policy was not personal, but genuinely national, and because I did not seek unconstitutional support, such as the dictatorship is trying to secure by means of the organization of a new congress. Far from this, on many occasions and in affairs of grave moment, that majority forced upon the executive power decisions very different from those he had sought.

All that I am affirming was very well known to señor Leguía; but he knew something more: he knew from the lips of representatives attached to the policy of the government that the administration had not

made them any suggestion that they should fail to comply with their constitutional duties and that it did not exercise the least influence in the direction of hindering the free vote of the congress.

It was then that señor Leguía, on arriving at the conviction that the executive did not desire anything less than that the electoral process should be carried out in the terms of the political charter, and on seeing that the ranks of his friends in the parliament were increasing, in proportion as the day of his inauguration drew near; on persuading himself, in short, that the congress was going to elect him, resolved to take a revolutionary step.

It did not mean that the conspiracy had been prepared with thought fixed upon the idea that the congress might be capable of proclaiming a person different from señor Leguía or señor Aspíllaga, nor that the flag which the present dictator proposed to fly, in rebelling against the authority of the legislative power, had suddenly fallen from his hands. What he was interested in was the disappearance of the congress; and, with or without a pretext, he would have consummated the attack.

The revolution was not waged against the president, but against the congress, from which señor Leguía did not wish to receive the presidential investiture, because this fact would have made it impossible for him to dissolve it; and he did not desire to govern, as I governed for four years, with a majority resulting from a patriotic conjunction of political forces, but with another, constituted by unconditional elements. It was on this account that he resolved upon revolu-

tion: not to save the country from an "ignominious dictatorship," which never existed at any time while I was at the head of public affairs, but in order to dissolve the congress and form another new one to his entire satisfaction.

In order to carry out this nefarious plan it has made no difference that he had to commit the gravest assaults that could be made upon a civilized nation, restore partisan leadership in Perú and plunge the nation into the most profound disgrace abroad, at the very moment when she was presenting to the free peoples of the world a just demand for her territorial revindication.

Compatriots:

I have given you an account of the principal acts of my administration during the period of 1915-1919, in which, for the second time, I had the signal honor to guide your destiny; and I have revealed to you with absolute truth what is the origin of the high treason of which the constitutional institutions of Perú are victims.

Whether surrendering the symbol of supreme power in the presence of the representatives of the nation, in the refined ceremony of a free democracy, or having it wrested from me by the brutal hand of a pretorian soldiery, in the service of a legicidal ambition, the condition of my spirit is the same: it is one of absolute serenity, because, since all my acts have been addressed to the welfare of Perú and have served no other end than the national interests, in the rigid

realm of honor and duty in which I have moved during all my public life, I can await, with my forehead lifted high, the justifying verdict of honorable men.

JOSÉ PARDO.

Colón, August 18, 1919.

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